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LAFAYETTE PARISH CLERK OF COURT

Financial Report

Year Ended June 30, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11-8-06

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1-2
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net assets	5
Statement of activities	6
FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental fund	8
Reconciliation of the governmental funds balance sheet to the statement of net assets	9
Statement of revenues, expenditures, and changes in fund balance- governmental fund	10
Reconciliation of the statement of revenues, expenditures, and changes in fund balance of the governmental fund	11
Statement of net assets - group self-insurance internal service fund	12
Statement of revenues, expenses, and changes in fund net assets - group self-insurance internal service fund	13
Statement of cash flows - group self-insurance internal service fund	14
Statement of fiduciary assets and liabilities	15
Notes to basic financial statements	16-28
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedule:	
General Fund	30
OTHER SUPPLEMENTARY INFORMATION	
Comparative statement of net assets	32
General Fund:	
Comparative balance sheet	34
Budgetary comparison schedule - revenues, expenditures, and changes in fund balance - compared to actual for prior year	35
Budgetary comparison schedule - revenues - compared to actual for prior year	36-37
Budgetary comparison schedule - expenditures - compared to actual for prior year	38-39

TABLE OF CONTENTS (continued)

	<u>Page</u>
Fiduciary Funds -	
Combining statement of assets and liabilities	41
Combining statement of changes in assets and liabilities	42
Proprietary Fund:	
Comparative statement of net assets - group self-insurance internal service fund	44
Comparative statement of revenues, expenses, and changes in fund net assets - group self-insurance internal service fund	45
Comparative statement of cash flows - group self-insurance internal service fund	46
 Combined schedule of interest-bearing deposits - all funds	 47
 INTERNAL CONTROL AND COMPLIANCE	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	 49-50
Summary schedule of current and prior year audit findings and corrective action plan	 51

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INDEPENDENT AUDITORS' REPORT

The Honorable Louis J. Perret
Lafayette Parish Clerk of Court
Lafayette, Louisiana

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Clerk of Court (Clerk of Court), a component unit of the Lafayette Parish Government, as of and for the year ended June 30, 2006, which collectively comprise the Clerk of Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Clerk of Court. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Clerk of Court, as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated September 28, 2006, on our consideration of the Clerk of Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.

The required supplementary information on page 30 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Lafayette Parish Clerk of Court has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk of Court's basic financial statements. The accompanying financial information listed as "Other Supplementary Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The prior year comparative information on the other supplementary information has been derived from the Lafayette Parish Clerk of Court's 2005 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
September 28, 2006

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Net Assets
June 30, 2006

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and interest-bearing deposits	\$7,160,662
Receivables, net	361,657
Due from other governmental units	47,949
Accrued interest	104,803
Prepaid expenditures	24,559
Inventory	<u>7,887</u>
Total current assets	7,707,517
Noncurrent assets:	
Capital assets, net	<u>1,038,473</u>
Total assets	<u>8,745,990</u>
LIABILITIES	
Current liabilities:	
Accounts and other payables	659,113
Due to other governmental units	<u>3,969</u>
Total current liabilities	663,082
Noncurrent liabilities:	
Compensated absences payable	<u>464,231</u>
Total liabilities	<u>1,127,313</u>
NET ASSETS	
Invested in capital assets	1,038,473
Unrestricted	<u>6,580,204</u>
Total net assets	<u>\$7,618,677</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Activities
For the Year Ended June 30, 2006

Governmental activities:	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Net (Expense) Revenues and Changes in Net Assets Governmental Activities
General government	<u>\$ 6,381,486</u>	<u>\$ 6,239,975</u>	<u>\$ 156,395</u>	<u>\$ 14,884</u>
General revenues:				
Interest and investment earnings				462,315
Miscellaneous				62,358
Charges reimbursable by primary government				<u>222,984</u>
Total general revenues and transfers				<u>747,657</u>
Change in net assets				762,541
Net assets - July 1, 2005				<u>6,856,136</u>
Net assets - June 30, 2006				<u>\$ 7,618,677</u>

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS (FFS)

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Balance Sheet - Governmental Fund
June 30, 2006

	<u>General Fund</u>
ASSETS	
Cash	\$ 2,650
Interest-bearing deposits	7,113,575
Receivables:	
Accounts receivable	307,156
Due from other governmental agencies	47,949
Accrued interest	104,803
Prepaid expenditures	24,559
Inventory	7,887
Total assets	<u>\$ 7,608,579</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 229,829
Payroll liabilities payable	30,546
Due to other governmental agencies	3,969
Due to self insurance fund	100,000
Compensated absences	210,554
Total liabilities	<u>574,898</u>
Fund balance:	
Reserved for prepaid expenditures and inventory	32,446
Unreserved, undesignated	7,001,235
Total fund balance	<u>7,033,681</u>
Total liabilities and fund balance	<u>\$ 7,608,579</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Assets
June 30, 2006

Total fund balance for the governmental fund at June 30, 2006		\$7,033,681
Cost of capital assets at June 30, 2006	\$2,672,136	
Less: Accumulated depreciation	<u>(1,633,663)</u>	1,038,473
Long-term liabilities at June 30, 2006:		
Compensated absences payable		(464,231)
Net Assets of Self Insurance Internal Service Fund		<u>10,754</u>
Total net assets of governmental activities at June 30, 2006		<u>\$7,618,677</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund
For the Year Ended June 30, 2006

	<u>General Fund</u>
Revenues:	
Licenses and permits	\$ 83,378
Fees, charges and commissions -	
Court costs, fees and charges	229,798
Fees for recording legal documents	5,304,089
Fees for certified copies	622,710
Intergovernmental	379,379
Miscellaneous	<u>523,064</u>
Total revenues	<u>7,142,418</u>
Expenditures:	
Current -	
General government:	
Personnel services and related benefits	4,784,288
Operating services	605,918
Material and supplies	391,308
Appropriations to Lafayette Parish Government	246,904
Capital outlay	<u>465,519</u>
Total expenditures	<u>6,493,937</u>
Excess of revenues over expenditures	648,481
Fund balance, beginning of year	<u>6,385,200</u>
Fund balance, end of year	<u>\$ 7,033,681</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
For the Year Ended June 30, 2006**

Total net change in fund balance for the year ended June 30, 2006 per Statement of Revenues, Expenditures and Changes in Fund Balance		\$ 648,481
Add: Capital outlay costs which are considered as expenditures on Statement	\$ 465,519	
Less: Depreciation expense for year ended June 30, 2006	(275,488)	
Less: Loss on disposals for the year ended June 30, 2006	<u>(26,889)</u>	163,142
Less: Deficit of compensated absences used over compensated absences earned		(47,969)
Less: Loss from the Self Insurance Internal Service Fund		<u>(1,113)</u>
Total change in net assets for the year ended June 30, 2006 per Statement of Activities		<u>\$ 762,541</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Net Assets
Proprietary Fund - Group Self-Insurance Internal Service Fund
June 30, 2006

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash	\$ 29,383
Interest-bearing deposits	15,054
Aggregate and stop-loss insurance policy receivable	54,501
Due from general fund	<u>100,000</u>
Total assets	<u>\$ 198,938</u>
LIABILITIES	
Current liabilities:	
Claims payable	\$ 188,184
NET ASSETS	
Unrestricted	<u>10,754</u>
Total liabilities and net assets	<u>\$ 198,938</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Fund - Group Self-Insurance Internal Service Fund
For the Year Ended June 30, 2006

	<u>Governmental Activities</u>
Operating revenue:	
Employer contributions	\$ 460,421
Employer contributions- additional	300,000
Employee contributions	<u>88,561</u>
Total operating revenue	<u>848,982</u>
Operating expenses:	
Administrative fees	28,018
Insurance premiums	177,934
Medical claims	<u>645,752</u>
Total operating expenses	<u>851,704</u>
Operating profit (loss)	(2,722)
Nonoperating revenue:	
Interest income	<u>1,609</u>
Change in net assets	(1,113)
Net assets, beginning	<u>11,867</u>
Net assets, ending	<u>\$ 10,754</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Cash Flows
Proprietary Fund - Group Self-Insurance Internal Service Fund
For the Year Ended June 30, 2006

	<u>Governmental Activities</u>
Cash flows from operating activities:	
Receipts from general fund and employees	\$ 548,982
Payments to service providers	(254,241)
Medical claim payments to employees and others	(576,915)
Other receipts from general fund	<u>200,000</u>
Net cash used by operating activities	(82,174)
Cash flows from investing activities:	
Interest on interest-bearing deposits	<u>1,609</u>
Net decrease in cash and cash equivalents	(80,565)
Cash and cash equivalents, beginning of period	<u>125,002</u>
Cash and cash equivalents, end of period	<u>\$ 44,437</u>
Reconciliation of operating profit (loss) to net cash from operating activities:	
Operating loss	\$ (2,722)
Adjustments to reconcile operating profit (loss) to net cash from operating activities:	
Increase in aggregate and stop-loss receivable	(48,289)
Increase in due from general fund	(100,000)
Increase in claims payable	<u>68,837</u>
Net cash used by operating activities	<u>\$ (82,174)</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Statement of Fiduciary Assets and Liabilities
June 30, 2006

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 5,036
Interest-bearing deposits	<u>14,477,477</u>
Total assets	<u>\$14,482,513</u>
LIABILITIES	
Due to litigants and others	<u>\$14,482,513</u>

The accompanying notes are an integral part of the basic financial statements.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Lafayette Parish Clerk of Court (Clerk of Court) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements of the proprietary fund, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and to the industry audit guide, Audits of State and Local Governments.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, a Clerk of Court serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and shall have other duties and powers provided by law. A Clerk of Court is elected for a term of four years.

These financial statements only include funds and activities that are controlled by the Clerk of Court as an independently elected parish official. The Clerk of Court is a component unit of the Lafayette Parish Government. The Clerk of Court is fiscally dependent on the Lafayette Parish Government since the Clerk of Court's offices are located in the Parish Court House. The upkeep and maintenance of the courthouse is paid by the Parish Government and certain operating expenditures of the Clerk of Court's office are paid by the Parish Government.

As an independently elected official, the Clerk of Court is solely responsible for the operations of his office, which includes the hiring or retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Certain units of local government over which the Clerk of Court exercises no oversight responsibility, such as the parish school board, other independently elected officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from that of the Clerk of Court.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to Financial Statements (Continued)

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity, which are considered to be governmental activities. The Clerk of Court's internal service fund is a governmental activity. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Assets at the fund financial statement level.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Clerk of Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The accounts of the Clerk of Court are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Clerk of Court are classified into three categories: governmental, proprietary, and fiduciary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

The major fund of the Clerk of Court is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and is used to account for the operations of the Clerk of Court's office. The various fees and charges due to the Clerk of Court's office are accounted for in this fund. General operating expenditures are paid from this fund.

Additionally, the Clerk of Court reports the following fund types:

Proprietary Funds -

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The following is the Clerk of Court's proprietary fund type:

Internal Service Fund

The Internal Service Fund is used to account for monies accumulated to provide group health coverage for employees of the Clerk of Court.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are derived from contributions made from the employer and employees. These revenues are planned to match: (1) expenses of insurance premiums in excess of self-insurance amounts; (2) actual claims and estimated liabilities for claims incurred but not yet reported at year-end, and (3) operating expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Funds -

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of other funds within the Clerk of Court. The funds accounted for in this category by the Clerk of Court are the agency funds. The agency funds are as follows:

Advance Deposit Fund - accounts for advance deposits on suits filed by litigants.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Registry of the Court Fund – accounts for funds which have been ordered by the court to be held until judgment has been rendered in court litigation.

Election Qualifying Fund – accounts for funds collected from individuals qualifying to run for political office and remitted to the appropriate governmental bodies or political committees.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. The governmental fund utilizes a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statement utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Clerk of Court.

For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit with an original maturity of three months or less.

Inventory

Inventory in the Clerk of Court's General Fund consists of copies of historical books produced and published by the Clerk of Court for sale to the general public. The books are recorded at cost, which is lower than market at June 30, 2006.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk of Court maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment

5-10 years

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Compensated Absences

Employees of the Clerk of Court's office earn 10 to 20 days of vacation leave each year depending on length of service. In addition, employees earn 12 days of personal leave each year. Vacation leave must be used in the year earned. Upon resignation or retirement, employees are paid for unused vacation leave at the employee's current rate of pay. Personal leave may be accumulated to a maximum of 90 days and carried over to succeeding years. Employees are paid for unused personal leave upon termination or retirement.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

R.S. 13:785 requires that every four years (at the close of the term of office) the clerk of court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the clerk's last year of his term of office. This payment is limited to no more than that which was received by the clerk in accordance with R.S. 13:784(A) during said term of office. At June 30, 2006, there was no amount due to the parish treasurer even though the General Fund's fund balance at June 30, 2006 exceeded one-half of the revenues of the General Fund for the last year of the clerk's four-year term of office because the Lafayette Parish Clerk of Court did not receive any funds from the parish treasurer in accordance with R.S. 13:784(A) during the current term of office.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function. In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character and Function
Proprietary Fund – By Operating and Nonoperating

F. Budgetary and Budgetary Accounting

The Clerk of Court follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed budget is prepared and submitted to the Clerk of Court for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Clerk of Court. Such amendments, except for capital outlay, were not material in relation to the original appropriations.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

G. Bad Debts

Uncollectible amounts due for receivables are recognized as bad debts by direct write-off at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible accounts receivable was made due to immateriality at June 30, 2006.

(2) Cash and Interest-Bearing Deposits

Under state law, the Clerk of Court may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Clerk of Court may invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2006, the Clerk of Court has cash and cash equivalents (book balances) totaling \$21,643,175 as follows:

	Governmental Activities	Fiduciary Funds	Total
Cash	\$ 32,033	\$ 5,036	\$ 37,069
Time and money market deposits	7,128,629	14,477,477	21,606,106
Total	\$ 7,160,662	\$14,482,513	\$21,643,175

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Clerk of Court's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates fair value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The following is a summary of deposit balances (bank balances) at June 30, 2006, and the related federal insurance and pledged securities:

Bank balances	\$22,250,049
Federal insurance	\$ 3,637,477
Pledged securities	18,612,572
Total federal insurance and pledged securities	\$22,250,049

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

As of June 30, 2006, the Clerk of Court's total bank balances were fully insured and collateralized with securities held in the name of the Clerk of Court by the pledging financial institution's agent and, therefore, not exposed to custodial credit risk.

(3) Due from Other Governmental Units

Amount due from other governmental units at June 30, 2006 consisted of the following:

General Fund:

Amount due from the State of Louisiana-Non-Support program. \$ 47,949

(4) Capital Assets

Capital asset balances and activity for the year ended June 30, 2006 is as follows:

	Balance 07/01/05	Additions	Deletions	Balance 6/30/06
Furniture, fixtures and equipment	\$ 2,310,710	\$ 465,519	104,093	\$ 2,672,136
Less: Accumulated depreciation	<u>1,435,379</u>	<u>275,488</u>	<u>77,204</u>	<u>1,633,663</u>
Net capital assets	<u>\$ 875,331</u>	<u>\$ 190,031</u>	<u>\$ 26,889</u>	<u>\$ 1,038,473</u>

Depreciation expense of \$275,488 was charged to the general government function.

(5) Accounts and Other Payables

The accounts and other payables consisted of the following at June 30, 2006:

	General Fund	Proprietary Fund	Total
Accounts	\$229,829	\$ -	\$229,829
Payroll liabilities	30,546	-	30,546
Compensated absences	210,554	-	210,554
Claims payable	<u>-</u>	<u>188,184</u>	<u>188,184</u>
Totals	<u>\$470,929</u>	<u>\$188,184</u>	<u>\$659,113</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(6) Pension Plan

Plan Description. – Substantially all employees of the Lafayette Parish Clerk of Court, except part-time and temporary employees, are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3.33% of their final-average salary for each year of credited service, not to exceed 100% of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established and amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (504) 293-1162.

Funding Policy. – Plan members are required by state statute to contribute 8.25% of their annual covered salary and the Lafayette Parish Clerk of Court is required to contribute at an actuarially determined rate. The rate as of June 30, 2006 was 15.75% of annual covered payroll. Subsequent to year end, the rate changed to 16.75%. Contributions to the System also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Lafayette Parish Clerk of Court are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Lafayette Parish Clerk of Court's contributions to the System for the years ended June 30, 2006, 2005, and 2004 were \$514,547, \$445,513, and \$344,722 respectively, equal to the required contributions for each year.

(7) Post-Retirement Health Care and Life Insurance Benefits

The Clerk of Court has an established policy regarding the payment of costs to provide continuing health care and life insurance benefits for its retired employees. As of June 30, 2006, the plan covered one hundred (100) percent of the employees' insurance premiums and fifty (50) percent of the spouses' premiums if the employees were covered by insurance at the time of retirement. Subsequent to year end, the plan changed and only covers fifty (50) percent of the employees' insurance premiums and does not cover any of the spouses' premiums. The costs of these premiums are recorded as expenses when paid by the Clerk of Court annually.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

In June 2004, the Governmental Accounting Standards Board (GASB) issued Statement 45 "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." This statement requires the accrual of postemployment benefits for retired employees. The Lafayette Parish Clerk of Court is required to implement this standard for the fiscal year ending June 30, 2010. The Clerk has not yet determined the full impact that adoption of GASB Statement 45 will have on the financial statements.

(8) Changes in Agency Fund Balances

A summary of changes in agency fund unsettled deposits follows:

	Year Ended June 30, 2006			Unsettled Deposits at End of Year
	Unsettled Deposits at Beginning of Year	Additions	Reductions	
Agency funds:				
Advance Deposit	\$ 4,086,602	\$ 4,625,438	\$ 4,191,119	\$ 4,520,921
Registry of Court	8,375,889	5,039,200	3,453,911	9,961,178
Election Qualifying	396	18	-	414
Totals	<u>\$ 12,462,887</u>	<u>\$ 9,664,656</u>	<u>\$ 7,645,030</u>	<u>\$ 14,482,513</u>

(9) Operating Leases

The Clerk of Court is contracted under two lease agreements. The vehicle lease is \$629 monthly and expires on March 31, 2008. The property lease is \$1,700 monthly and expires on June 30, 2008 with the option to renew for another four years.

In addition, the Clerk of Court leases ten copiers under operating leases ranging from 36 to 48 months and expiring at various dates from May, 2006 through September, 2008.

Future minimum lease payments are as follows:

2007	\$ 65,424
2008	38,957
2009	<u>1,560</u>
Total	<u>\$ 105,941</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(10) Changes in Long-Term Debt

The following is a summary of long-term debt transactions of the Clerk of Court for the year ended June 30, 2006:

Compensated absences payable, June 30, 2005	\$ 416,262
Additions	47,969
Retirements	<u> -</u>
Compensated absences payable, June 30, 2006	<u>\$ 464,231</u>

(11) Deferred Compensation Plan

The Clerk of Court offers its employees participation in the Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan is reported as an agency fund in the State of Louisiana's financial statements. The plan, available to all Clerk of Court's employees, permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State of Louisiana (without being restricted to the provisions of benefits under the plan) subject only to the claims of the general creditors of the State of Louisiana. Participants' rights under the plan are equal to those of general creditors of the State of Louisiana in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of management, after consulting with legal counsel, that the Clerk of Court has no liability for losses under the plan.

(12) Risk Management

The Clerk of Court is exposed to risks of loss in the areas of auto liability, professional liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(13) Report Classification

Certain previously reported amounts for the year ended June 30, 2005 have been reclassified to conform to the June 30, 2006 classifications.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(14) Expenditures of the Clerk of Court Paid by the Lafayette Parish Government

The Clerk of Court's office is located in the Lafayette Parish Courthouse. The Lafayette Parish Government pays the upkeep and maintenance of the courthouse. These expenditures are not reflected in the accompanying financial statements.

Income relating to court reporting attendance, maintenance agreements and capital outlay required to be paid by the Lafayette Parish Government are reported as revenues. During the years ended June 30, 2006 and 2005, the required payments by the Lafayette Parish Government were not received by the Clerk of Court but are reflected as appropriation expenditures.

(15) Litigation

There is no litigation pending against the Clerk of Court at June 30, 2006.

(16) Risk Management - Group Self-Insurance Hospitalization

On July 1, 1992, the Clerk of Court established a limited risk management program for group hospitalization insurance. The General Fund pays premiums into the Group Self-Insurance Fund and funds are available to pay claims, claim reserves and administrative costs of the program. The Clerk of Court has contracted Benesys, Inc. to act as the third party administrator for the program. An excess of coverage insurance policy covers individual claims in excess of \$30,000 per year and \$1,000,000 per lifetime. During the fiscal year ended June 30, 2006, the General Fund and employees of the Clerk of Court paid a total of \$848,982 in premiums. Interfund premiums are set to cover the maximum exposure to the program in a fiscal year and are reported as quasi-external in interfund transactions. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The Clerk of Court currently does not discount its claims liabilities. Changes in the claims liability are as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Benefit Payments and Claims	Balance at Fiscal Year End
1999-2000	\$ 65,026	\$ 455,839	\$ 456,192	\$ 64,673
2000-2001	64,673	727,540	663,175	129,038
2001-2002	129,038	416,747	468,796	76,989
2002-2003	76,989	568,613	548,603	96,999
2003-2004	96,999	668,086	656,599	108,486
2004-2005	108,486	621,689	610,828	119,347
2005-2006	119,347	714,589	645,752	188,184

**REQUIRED
SUPPLEMENTARY INFORMATION**

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2006

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Licenses and permits	\$ 59,000	\$ 81,515	\$ 83,378	\$ 1,863
Fees, charges and commissions -				
Court costs, fees and charges	223,350	236,925	229,798	(7,127)
Fees for recording legal documents	5,414,400	5,183,800	5,304,089	120,289
Fees for certified copies	555,000	610,000	622,710	12,710
Intergovernmental	312,000	341,000	379,379	38,379
Miscellaneous	411,600	392,295	523,064	130,769
Total revenues	<u>6,975,350</u>	<u>6,845,535</u>	<u>7,142,418</u>	<u>296,883</u>
Expenditures:				
Current -				
General government:				
Personnel services and related benefits	4,927,710	4,849,475	4,784,288	65,187
Operating services	775,676	617,225	605,918	11,307
Material and supplies	599,400	456,900	391,308	65,592
Appropriations to Lafayette Parish				
Government	9,000	200,000	246,904	(46,904)
Capital outlay	410,000	367,250	465,519	(98,269)
Total expenditures	<u>6,721,786</u>	<u>6,490,850</u>	<u>6,493,937</u>	<u>(3,087)</u>
Excess of revenues over expenditures	253,564	354,685	648,481	293,796
Fund balance, beginning of year	<u>6,283,532</u>	<u>6,283,532</u>	<u>6,283,532</u>	<u>5,989,736</u>
Fund balance, end of year	<u>\$6,537,096</u>	<u>\$6,638,217</u>	<u>\$6,932,013</u>	<u>\$6,283,532</u>

OTHER SUPPLEMENTARY INFORMATION

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Comparative Statement of Net Assets
June 20, 2006 and 2005

	Governmental Activities	
	2006	2005
ASSETS		
Current assets:		
Cash and interest-bearing deposits	\$ 7,160,662	\$ 6,468,570
Receivables, net	361,657	273,751
Due from other governmental units	47,949	35,442
Accrued interest	104,803	57,077
Prepaid expenditures	24,559	11,781
Inventory	7,887	7,989
Total current assets	7,707,517	6,854,610
Noncurrent assets:		
Capital assets, net	1,038,473	875,331
Total assets	8,745,990	7,729,941
LIABILITIES		
Current liabilities:		
Accounts and other payables	659,113	452,952
Due to other governmental units	3,969	4,591
Total current liabilities	663,082	457,543
Noncurrent liabilities:		
Compensated absences payable	464,231	416,262
Total liabilities	1,127,313	873,805
NET ASSETS		
Invested in capital assets	1,038,473	875,331
Unrestricted	6,580,204	5,980,805
Total net assets	\$ 7,618,677	\$ 6,856,136

GENERAL FUND

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Clerk of Court and is used to account for the operations of the Clerk of Court's office. The various fees and charges due to the Clerk of Court's office are account for in the fund. General operating expenditures are paid from this fund.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Comparative Balance Sheet
June 20, 2006 and 2005

	2006	2005
ASSETS		
Cash	\$ 2,650	\$ 2,650
Interest-bearing deposits	7,113,575	6,340,918
Receivables:		
Accounts receivable	307,156	267,539
Due from other governmental agencies	47,949	35,442
Accrued interest	104,803	57,077
Prepaid expenditures	24,559	11,781
Inventory	7,887	7,989
Total assets	\$7,608,579	\$6,723,396
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 229,829	\$ 45,554
Payroll liabilities payable	30,546	25,545
Due to other governmental agencies	3,969	4,591
Due to self insurance fund	100,000	-
Compensated absences	210,554	262,506
Total liabilities	574,898	338,196
Fund balance:		
Reserved for prepaid expenditures and inventory	32,446	19,770
Unreserved, undesignated	7,001,235	6,365,430
Total fund balance	7,033,681	6,385,200
Total liabilities and fund balance	\$7,608,579	\$6,723,396

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule -
Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2006
With Comparative Actual Amounts for the Year Ended June 30, 2005

	2006			Variance with Final Budget Positive (Negative)	2005 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Licenses and permits	\$ 59,000	\$ 81,515	\$ 83,378	\$ 1,863	\$ 59,222
Fees, charges and commissions -					
Court costs, fees and charges	223,350	236,925	229,798	(7,127)	210,867
Fees for recording legal documents	5,414,400	5,183,800	5,304,089	120,289	5,335,807
Fees for certified copies	555,000	610,000	622,710	12,710	565,826
Intergovernmental	312,000	341,000	379,379	38,379	350,650
Miscellaneous	411,600	392,295	523,064	130,769	316,034
Total revenues	<u>6,975,350</u>	<u>6,845,535</u>	<u>7,142,418</u>	<u>296,883</u>	<u>6,838,406</u>
Expenditures:					
Current -					
General government:					
Personnel services and related benefits	4,927,710	4,849,475	4,784,288	65,187	4,554,141
Operating services	775,676	617,225	605,918	11,307	608,425
Material and supplies	599,400	456,900	391,308	65,592	460,786
Appropriations to Lafayette Parish					
Government	9,000	200,000	246,904	(46,904)	241,648
Capital outlay	410,000	367,250	465,519	(98,269)	577,942
Total expenditures	<u>6,721,786</u>	<u>6,490,850</u>	<u>6,493,937</u>	<u>(3,087)</u>	<u>6,442,942</u>
Excess of revenues over expenditures	253,564	354,685	648,481	293,796	395,464
Fund balance, beginning of year	<u>6,385,200</u>	<u>6,385,200</u>	<u>6,385,200</u>	-	<u>5,989,736</u>
Fund balance, end of year	<u>\$6,638,764</u>	<u>\$6,739,885</u>	<u>\$7,033,681</u>	<u>\$293,796</u>	<u>\$6,385,200</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended June 30, 2006
With Comparative Actual Amounts for the Year Ended June 30, 2005

	2006			Variance - Positive (Negative)	2005 Actual
	Budget		Actual		
	Original	Final			
Licenses and permits:					
Marriage licenses	\$ 39,000	\$ 44,525	\$ 44,350	\$ (175)	\$ 39,300
Passports	16,500	26,550	27,720	1,170	16,710
Birth/death certificates	3,500	10,440	11,308	868	3,212
Total licenses and permits	<u>59,000</u>	<u>81,515</u>	<u>83,378</u>	<u>1,863</u>	<u>59,222</u>
Fees, charges and commissions:					
Court costs, fees and charges -					
Criminal costs	85,000	102,930	105,494	2,564	88,954
Court attendance reporting	32,000	32,000	23,920	(8,080)	26,220
Other	106,350	101,995	100,384	(1,611)	95,693
Total court costs, fees and charges	<u>223,350</u>	<u>236,925</u>	<u>229,798</u>	<u>(7,127)</u>	<u>210,867</u>
Fees for recording legal documents:					
Recordings	2,500,000	2,440,000	2,534,442	94,442	2,452,597
Index search	12,400	14,000	14,589	589	12,370
Cancellations	225,000	223,000	236,958	13,958	223,059
Mortgage certificates	160,000	150,600	147,721	(2,879)	154,852
Suits and successions	2,475,000	2,321,000	2,329,103	8,103	2,453,659
UCC filing	42,000	35,200	41,276	6,076	39,270
Total fees for recording legal documents	<u>5,414,400</u>	<u>5,183,800</u>	<u>5,304,089</u>	<u>120,289</u>	<u>5,335,807</u>
Certified copies	<u>555,000</u>	<u>610,000</u>	<u>622,710</u>	<u>12,710</u>	<u>565,826</u>

(continued)

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule - Revenues (Continued)
For the Year Ended June 30, 2006
With Comparative Actual Amounts for the Year Ended June 30, 2005

	2006			Variance - Positive (Negative)	2005 Actual
	Budget		Actual		
	Original	Final			
Intergovernmental:					
Charges reimbursable by parish government	200,000	200,000	222,984	22,984	215,429
Federal grant - non-support	<u>112,000</u>	<u>141,000</u>	<u>156,395</u>	<u>15,395</u>	<u>135,221</u>
Total intergovernmental	<u>312,000</u>	<u>341,000</u>	<u>379,379</u>	<u>38,379</u>	<u>350,650</u>
Miscellaneous:					
Interest earned	220,000	331,000	460,706	129,706	227,704
Elections	25,000	12,250	12,212	(38)	51,088
Judicial commitments	450	250	298	48	385
Sales of books	150	295	294	(1)	126
Other	36,000	48,500	49,554	1,054	36,731
Refunds	<u>130,000</u>	-	-	-	-
Total miscellaneous	<u>411,600</u>	<u>392,295</u>	<u>523,064</u>	<u>130,769</u>	<u>316,034</u>
 Total revenues	 <u>\$6,975,350</u>	 <u>\$6,845,535</u>	 <u>\$7,142,418</u>	 <u>\$ 296,883</u>	 <u>\$6,838,406</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2006
With Comparative Actual Amounts for the Year Ended June 30, 2005

	2006			Variance - Positive (Negative)	2005 Actual
	Budget		Actual		
	Original	Final			
Expenditures:					
Current -					
Personnel services and related benefits -					
Salaries:					
Clerk	\$ 100,235	\$ 99,150	\$ 99,150	\$ -	\$ 99,490
Deputy clerks	3,358,000	3,358,000	3,248,924	109,076	3,079,421
Clerk's expense allowance	9,675	9,675	9,675	-	9,615
Clerk's supplemental fund	34,800	34,650	34,800	(150)	33,000
Hospitalization insurance	800,000	800,000	792,840	7,160	770,714
Payroll taxes, retirement and compensated absences	<u>625,000</u>	<u>548,000</u>	<u>598,899</u>	<u>(50,899)</u>	<u>561,901</u>
Total personnel services and related benefits	<u>4,927,710</u>	<u>4,849,475</u>	<u>4,784,288</u>	<u>65,187</u>	<u>4,554,141</u>
Operating services -					
Insurance	56,000	59,000	51,242	7,758	48,143
Professional fees	40,000	59,000	43,395	15,605	48,127
UCC filing	40,000	38,125	38,982	(857)	39,560
Cott index	-	-	-	-	10,794
Book costs	-	-	4,532	(4,532)	407
Telephone	26,500	22,000	23,401	(1,401)	26,843
Travel and conventions	15,000	12,075	13,649	(1,574)	12,248
Election expense allowance	17,000	7,950	7,924	26	17,040
Copier expense	51,500	50,750	49,989	761	51,203
Computer operations	330,000	204,000	208,078	(4,078)	264,645
Parking fees	24,676	25,350	25,340	10	24,690
Reader/printer	50,000	55,500	55,409	91	-
Training	5,000	9,400	10,161	(761)	7,991
Center for family violence contribution	24,000	28,275	28,064	211	21,880
Workers' compensation	63,000	43,050	43,047	3	34,854
Miscellaneous	<u>33,000</u>	<u>2,750</u>	<u>2,705</u>	<u>45</u>	<u>-</u>
Total operating services	<u>775,676</u>	<u>617,225</u>	<u>605,918</u>	<u>11,307</u>	<u>608,425</u>

(continued)

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended June 30, 2006
With Comparative Actual Amounts for the Year Ended June 30, 2005

	2006			Variance - Positive (Negative)	2005 Actual
	Budget		Actual		
	Original	Final			
Materials and supplies -					
Office supplies and operations	555,000	411,050	343,463	67,587	360,878
Automobile and maintenance	10,500	10,800	4,058	6,742	2,883
Dues and subscription	3,500	3,600	3,587	13	3,116
Leases and rentals	20,400	20,400	27,948	(7,548)	27,948
Uniforms	10,000	11,050	12,252	(1,202)	65,961
Total materials and supplies	<u>599,400</u>	<u>456,900</u>	<u>391,308</u>	<u>65,592</u>	<u>460,786</u>
Appropriations to Lafayette Parish Government -					
Operating revenues and expenditures unreimbursed	9,000	200,000	246,904	(46,904)	241,648
Total appropriations to Lafayette Parish Government	<u>9,000</u>	<u>200,000</u>	<u>246,904</u>	<u>(46,904)</u>	<u>241,648</u>
Capital outlay -					
Office equipment	120,000	85,250	99,955	(14,705)	6,991
Computer equipment	50,000	100,000	116,035	(16,035)	119,454
Computer software	240,000	182,000	249,529	(67,529)	451,497
Total capital outlay	<u>410,000</u>	<u>367,250</u>	<u>465,519</u>	<u>(98,269)</u>	<u>577,942</u>
Total expenditures	<u>\$ 6,721,786</u>	<u>\$ 6,490,850</u>	<u>\$ 6,493,937</u>	<u>\$ (3,087)</u>	<u>\$ 6,442,942</u>

FIDUCIARY FUNDS

Advance Deposit Fund -

The Advance Deposit Fund, as provided by Louisiana Revised Statute 13:842, is used to account for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

Registry of Court Fund -

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, is used to account for funds which have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawals of the funds can be made only upon specific court order.

Election Qualifying Fund -

The Election Qualifying Fund is used to account for funds collected from individuals qualifying to run for political office and remitted to the appropriate governmental bodies or political committees.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
Fiduciary Funds

Combining Statement of Fiduciary Assets and Liabilities
June 30, 2006
With Comparative Totals for June 30, 2005

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Election Qualifying</u>	<u>Totals</u>	
				<u>2006</u>	<u>2005</u>
ASSETS					
Cash	\$ -	\$ 5,036	\$ -	\$ 5,036	\$ 5,121
Interest-bearing deposits	<u>4,520,921</u>	<u>9,956,142</u>	<u>414</u>	<u>14,477,477</u>	<u>12,457,766</u>
Total assets	<u>\$4,520,921</u>	<u>\$9,961,178</u>	<u>\$ 414</u>	<u>\$14,482,513</u>	<u>\$12,462,887</u>
LIABILITIES					
Due to litigants and others	<u>\$4,520,921</u>	<u>\$9,961,178</u>	<u>\$ 414</u>	<u>\$14,482,513</u>	<u>\$12,462,887</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
Fiduciary Funds

Combining Statement of Changes in Assets and Liabilities
For the Year Ended June 30, 2006
With Comparative Totals For the Year Ended June 30, 2005

	<u>Advance Deposit</u>	<u>Registry of Court</u>	<u>Election Qualifying</u>	<u>Totals</u>	
				<u>2006</u>	<u>2005</u>
ASSETS					
Balances, beginning of year	<u>\$4,086,602</u>	<u>\$ 8,375,889</u>	<u>\$ 396</u>	<u>\$12,462,887</u>	<u>\$11,674,262</u>
Additions:					
Suits and successions	4,541,963	-	-	4,541,963	4,757,519
Deposits per court order	-	4,866,427	-	4,866,427	3,314,043
Interest earned for General Fund	83,475	172,773	18	256,266	38,199
Qualifying fees	-	-	-	-	150
Total additions	<u>4,625,438</u>	<u>5,039,200</u>	<u>18</u>	<u>9,664,656</u>	<u>8,109,911</u>
Total	<u>8,712,040</u>	<u>13,415,089</u>	<u>414</u>	<u>22,127,543</u>	<u>19,784,173</u>
Reductions:					
Clerk's costs (transferred to General Fund)	2,326,040	-	-	2,326,040	2,456,421
Refunds to litigants	816,716	-	-	816,716	1,048,697
Other	460,145	-	-	460,145	503,202
Interest earned (transferred to General Fund)	83,475	57,596	-	141,071	38,189
Lafayette Parish Sheriff fees	343,298	-	-	343,298	360,979
Other Sheriff fees	161,445	-	-	161,445	168,597
Disbursements by court order	-	3,396,315	-	3,396,315	2,745,201
Total reductions	<u>4,191,119</u>	<u>3,453,911</u>	<u>-</u>	<u>7,645,030</u>	<u>7,321,286</u>
Balances, end of year	<u>\$4,520,921</u>	<u>\$ 9,961,178</u>	<u>\$ 414</u>	<u>\$14,482,513</u>	<u>\$12,462,887</u>
LIABILITIES					
Due to litigants and others, beginning of year	\$4,086,602	\$ 8,375,889	\$ 396	\$12,462,887	\$11,674,262
Additions	4,625,438	5,039,200	18	9,664,656	8,109,911
Reductions	<u>4,191,119</u>	<u>3,453,911</u>	<u>-</u>	<u>7,645,030</u>	<u>7,321,286</u>
Due to litigants and others, end of year	<u>\$4,520,921</u>	<u>\$ 9,961,178</u>	<u>\$ 414</u>	<u>\$14,482,513</u>	<u>\$12,462,887</u>

PROPRIETARY FUND

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows.

Group Self-Insurance Internal Service Fund

The Self-Insurance Internal Service Fund is used to account for monies accumulated to provide group health coverage for employees of the Clerk of Court.

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
Proprietary Fund

Comparative Statement of Net Assets
Group Self-Insurance Internal Service Fund
June 20, 2006 and 2005

	<u>Governmental Activities</u>	
	<u>2006</u>	<u>2005</u>
ASSETS		
Current assets:		
Cash	\$ 29,383	\$ -
Interest-bearing deposits	15,054	125,002
Aggregate and stop-loss insurance policy receivable	54,501	6,212
Due from general fund	100,000	-
Total assets	<u>\$ 198,938</u>	<u>\$ 131,214</u>
LIABILITIES		
Current liabilities:		
Claims payable	\$ 188,184	\$ 119,347
NET ASSETS		
Unrestricted	10,754	11,867
Total liabilities and net assets	<u>\$ 198,938</u>	<u>\$ 131,214</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
Proprietary Fund

Comparative Statement of Revenues, Expenses and Changes in Fund Net Assets
Group Self-Insurance Internal Service Fund
For the Years Ended June 30, 2006 and 2005

	<u>Governmental Activities</u>	
	<u>2006</u>	<u>2005</u>
Operating revenue:		
Employer contributions	\$ 460,421	\$ 456,820
Employer contributions- additional	300,000	313,894
Employee contributions	<u>88,561</u>	<u>84,821</u>
Total operating revenue	<u>848,982</u>	<u>855,535</u>
 Operating expenses:		
Administrative fees	28,018	26,933
Insurance premiums	177,934	212,499
Medical claims	<u>645,752</u>	<u>610,828</u>
Total operating expenses	<u>851,704</u>	<u>850,260</u>
 Operating profit (loss)	 (2,722)	 5,275
 Nonoperating revenue:		
Interest income	<u>1,609</u>	<u>3,176</u>
 Change in net assets	 (1,113)	 8,451
 Net assets, beginning	 <u>11,867</u>	 <u>3,416</u>
 Net assets, ending	 <u>\$ 10,754</u>	 <u>\$ 11,867</u>

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana
Proprietary Fund

Comparative Statement of Cash Flows
Group Self-Insurance Internal Service Fund
For the Years Ended June 30, 2006 and 2005

	Governmental Activities	
	2006	2005
Cash flows from operating activities:		
Receipts from general fund and employees	\$ 548,982	\$ 541,641
Payments to service providers	(254,241)	(245,372)
Medical claim payments to employees and others	(576,915)	(599,967)
Other receipts from general fund	200,000	313,894
Net cash provided (used) by operating activities	(82,174)	10,196
 Cash flows from investing activities:		
Interest on interest-bearing deposits	1,609	3,176
 Net increase (decrease) in cash and cash equivalents	(80,565)	13,372
 Cash and cash equivalents, beginning of period	125,002	111,630
 Cash and cash equivalents, end of period	\$ 44,437	\$ 125,002
 Reconciliation of operating profit (loss) to net cash from operating activities:		
Operating profit (loss)	\$ (2,722)	\$ 5,275
 Adjustments to reconcile operating profit (loss) to net cash from operating activities:		
Increase in aggregate and stop-loss receivable	(48,289)	(5,940)
Increase in due from general fund	(100,000)	-
Increase in claims payable	68,837	10,861
Net cash provided (used) by operating activities	\$ (82,174)	\$ 10,196

LAFAYETTE PARISH CLERK OF COURT
Lafayette, Louisiana

Combined Schedule of Interest-Bearing Deposits - All Funds
June 30, 2006

	<u>Financial Institution</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Maturity Date</u>	<u>Amount</u>
General Fund -					
Certificate of deposit	I	4.00%	1 year	10/04/06	\$ 100,000
Certificate of deposit	I	4.10%	1 year	10/21/06	100,000
Certificate of deposit	R	3.25%	1 year	11/06/06	100,000
Certificate of deposit	I	4.00%	1 year	10/31/06	500,000
Certificate of deposit	I	4.00%	1 year	10/05/06	1,192,229
Interest-bearing deposits	I	5.21%	N/A	N/A	1,291
Interest-bearing deposits	I	5.25%	N/A	N/A	<u>5,120,055</u>
Total General Fund					<u>7,113,575</u>
Group Self-Insurance Fund -					
Interest-bearing deposits	I	5.25%	N/A	N/A	<u>15,054</u>
Advance Deposit Fund -					
Certificate of deposit	R	3.25%	1 year	10/24/06	500,000
Certificate of deposit	M	3.00%	1 year	10/03/06	500,000
Certificate of deposit	C	4.00%	18 mnths	04/07/07	500,000
Certificate of deposit	H	2.48%	1 year	07/15/06	500,000
Interest-bearing deposits	B	variable	N/A	N/A	<u>2,520,921</u>
Total Advance Deposit Fund					<u>4,520,921</u>
Registry of the Court Fund -					
Interest-bearing deposits	I	variable	N/A	N/A	9,954,470
Interest-bearing deposits	B	variable	N/A	N/A	<u>1,672</u>
Total Registry of the Court Fund					<u>9,956,142</u>
Election Qualifying Fund -					
Interest-bearing deposits	I	5.27%	N/A	N/A	<u>414</u>
Total - all funds					<u>\$ 21,606,106</u>

Financial Institution:

- (H) Home Bank
- (M) Mid-South Bank
- (I) Iberia Bank
- (R) Rayne State Bank
- (B) Bank One/Chase Bank
- (C) Community First Bank

INTERNAL CONTROL

AND

COMPLIANCE

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**REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Louis J. Perret
Lafayette Parish Clerk of Court
Lafayette, Louisiana

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Lafayette Parish Clerk of Court, a component unit of the Lafayette Parish Government, as of and for the year ended June 30, 2006, which collectively comprise the Lafayette Parish Clerk of Court's basic financial statements and have issued our report thereon dated September 28, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Clerk of Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk of Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management of the Lafayette Parish Clerk of Court and is not intended to be and should not be used by anyone other than this specified party.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
September 28, 2006

LAFAYETTE PARISH CLERK OF COURT

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
Year Ended June 30, 2006

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Completion Date</u>
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CURRENT YEAR (6/30/06) --

There were no findings noted for fiscal year end 6/30/06.

PRIOR YEAR (6/30/05) --

There were no findings noted for fiscal year end 6/30/05.